(b) The following reprots have been prepared to ascertain the viability of the revival of the units of Hindustan Fertilizer Corproation Ltd. (HFC) and Fertilizer Corproation of India Ltd. (FCI):—

Name of the Committee	Subject	Month/Year of submission of report
Purohit Committee	Revamp of Barauni, Durgapur, Namrup-I and II units	July, 1994
Expert group led by ICICI	Formulation of revival package of HFC	February, 1997
Expert Group led by ICICI	Formulaiton of revival package of FCI	May, 1997

(c) The operations of Durgapur unit of HFC were suspended in June 1997 due to a fire incident. Operaitons of Barauni unit of HFC, and Ramagundam & Talchar units of FCI have been suspended sice January 1999. Comprehensive rehabilitation proposals of both HFC and FCI are to be submitted to the Government and thereafter for the final sanction of Board for Industrial and Financial Reconstruction.

Understatement of Capacities In Urea Manufacturing Units

1684. SHRI MD. SALIM
SHRI NIOTPAL BASU:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether a Technical Committee appointed by Government had looked into the understatement of capacities by some urea manufacturing units;

(b) if so, the names of the units where understatement of capacities were identified;

(c) the estimated overdrawal of subsidies because of the understatement;

(d) whether another expert group has been constituted for the same purpose; If so, the terms of reference and findings thereof; and

(e) the details of Government's time-bound action plan to recover the overdrawn subsidies with retrospective effect?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) Yes, Sir.

(b) The Technical Committee had examined the installed capacity of 7 gas based urea manufacturing units namely, Chambal Fertilizers and Chemicals Ltd., Gadepan, Oswal Chemicals and Fertilizers Ltd., Shahajhanpur, Naitonal Fertilizers Ltd., Vijaipur-I, Indo Gulf Fertilizers and Chemicals Corproation Ltd. Jagdishpur, Indian Farmers Fertilizer Cooperative Ltd. Aonla-I, Tata Chemicals Ltd, Babrala and Nagarjuna Fertilizers and Chemicals Ltd. Kakinada.

(c) to (e) The report of the Technical Committee was discussed in the Fertilizer Industry Coordination Committee (FICC). Since the Technical Committee had recommeneded to reassess the capacity of only seven gas based urea manufacturing units, it was decided by FICC that there was need for working out the reassessed capacity of all urea manufacturing units irrespective of their feedstock and decided that an Expert Group be constituted to carry out such reassessment. Terms of Reference of Expert Committee were, inter alia, to identify all high capaicty utilisation ammonia and urea units; assessment of their production capacity based upon different methods; recomputation of retention Price based upon the revised capacities with financial implicaitons thereof. The Committee was to further go into the pros and cons of different methods of reassessing capacity. The Committee was to work out the financial implicaitons of the different dates from which the final reassessed capacity could be implemented and the financial implication of each method of capacity assessment unitwise. The Expert Committee was required to carry out its work by visiting or calling the units to hold presentations and submit data and also to give priority to study those units having higher capacity utilisaiton viz., M/s. Nagarjuna Fertilizers and Chemicals Ltd., M/s Tata Chemicals Ltd., M/s Chambal Fertilizers and Chemicals Ltd., M/s Oswal Chemicals and Fertilizers Ltd., IFFCO Aonla Expansion, NFL Vijaipur Expansion, etc. The report of the said Expert Group has been received only on 19.11.99 and will be

examined in FICC with a view to take decision on reassessment of capacity and consequent follow up action.

Disinvestment in Hill in Kerala

1685. SHRI J. CHITHARANJAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have received a letter from Minister for Industries and Social Welfare; Kerala, requesting to drop the attempt to disinvest Hindustan Insecticides Ltd. in Kerala; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINSITER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) and (b) Yes, Sir. Government of Kerala has represented that Hindustan Insecticides Limited has rendered useful service as a manufacture of anti-Malaria chemicals and pesticides for the agricultural sector. A view has been expressed that disinvestment in this company would be against the interests of the employees and may hamper India's efforts to tackle problems in the health and agriculture sectors. In reply the Government of Kerala has already been informed that disinvestment does not mean closure and hence would not automatically lead to unemployment.

Recovery from rice Mills

†1686. SHRI JHUMUK LAL BHENDIA: Will the Minsiter of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) The percentage of recovery fixed for rice mills in different parts of the country, State-wise; and

(b) the reasons for fixing 67-68 per cent recovery for Madhya Pradesh?

†Original notice of the question was received in Hindi.